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DEPARTMENT OF COMMERCE

International Trade Administration

A-823-815

Certain Oil Country Tubular Goods from Ukraine: Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) determines that imports of oil country tubular goods (OCTG) from Ukraine are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The period of investigation is July 1, 2012, through June 30, 2013. The final weighted-average dumping margins are listed below in the section entitled “Final Determination Margins.”

DATES: EFFECTIVE DATE: [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: David Lindgren, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3870.

SUPPLEMENTARY INFORMATION:

Background

On February 25, 2014, the Department published in the *Federal Register* the preliminary determination of sales at LTFV in the antidumping duty investigation of OCTG from Ukraine.¹ The following events occurred since the *Preliminary Determination* was issued. We issued supplemental sales and cost questionnaires to Interpipe,² and received responses to these supplemental questionnaires in March 2014. Also, in May 2014, Interpipe submitted revised sales databases pursuant to the Department's requests.

On March 27, 2014, the petitioners³ requested that the Department hold a hearing in this investigation and, subsequently, on June 3, 2014, the petitioners withdrew their hearing request.⁴ Between March 24, and April 15, 2014, the Department conducted sales and cost verifications of Interpipe, in accordance with section 782(i) of the Act. On May 28, and June 4, 2014, the petitioners and Interpipe submitted case and rebuttal briefs, respectively.

The Department issued a draft suspension agreement on June 10, 2014 and received comments from interested parties on June 17, 2014. On July 1 and 3, 2014, we received requests from petitioners and Interpipe, respectively, requesting that we continue the investigation, should

¹ See *Certain Oil Country Tubular Goods from Ukraine: Preliminary Determination of Sales at Less Than Fair Value, Negative Preliminary Determination of Critical Circumstances, and Postponement of Final Determination*, 79 FR 10482 (February 25, 2014) (*Preliminary Determination*).

² The Department preliminarily determined that Interpipe Europe S.A.; Interpipe Ukraine LLC; PJSC Interpipe Nizhnedneprovsky Tube Rolling Plant (aka Interpipe NTRP); LLC Interpipe Niko Tube; North American Interpipe, Inc. (collectively, Interpipe) are affiliated and should be considered a single entity. For this final determination, we continue to find that these companies are affiliated. For a more detailed discussion on the Department's analysis regarding affiliation and treatment of Interpipe Europe S.A. and certain affiliated companies as a single entity, see *Preliminary Determination* and accompanying Preliminary Determination Memorandum at 5-8.

³ Boomerang Tube, Energex Tube, a division of JMC Steel Group, Maverick Tube Corporation, Northwest Pipe Company, Tejas Tubular Products, TMK IPSCO, United States Steel Corporation, Vallourec Star, L.P., and Welded Tube USA Inc. (collectively, the petitioners).

⁴ See U.S. Steel's March 27, 2014 Hearing Request; see also U.S. Steel's June 3, 2014 Request to Withdrawal the Hearing Request.

we enter into a suspension agreement. Subsequently, on July 10, 2014, the Department signed a suspension agreement with Interpipe (the Agreement).

Scope of the Investigation

The merchandise covered by this investigation is certain oil country tubular goods (OCTG), which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the investigation also covers OCTG coupling stock. For a complete description of the scope of the investigation, *see* Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum which is hereby adopted by this notice.⁵ A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and it is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum

⁵ See Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Issues and Decision Memorandum for the Final Affirmative Determination in the Less than Fair Value Investigation of Certain Oil Country Tubular Goods from Ukraine" (Issues and Decision Memorandum), which is dated concurrently with and hereby adopted by this notice.

can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations. For a discussion of these changes, *see* the “Margin Calculations” section of the Issues and Decision Memorandum.

Verification

As provided in section 782(i) of the Act, in March and April, 2014, we verified the sales and cost information submitted by Interpipe for use in our final determination. We used standard verification procedures including an examination of relevant accounting and production records, and original source documents provided by Interpipe.⁶

Final Negative Determination of Critical Circumstances

In the *Preliminary Determination*, the Department found that there was no basis to believe or suspect the existence of critical circumstances with respect to imports of OCTG from Ukraine, in accordance with section 733(e)(1) of the Act and 19 CFR 351.206(c)(1).⁷ In accordance with section 735(a)(1)(3) of the Act, we continue to find that critical circumstances do not exist with respect to imports from Interpipe or all other producers or exporters of OCTG from Ukraine.⁸

⁶ *See* Memorandum to the File regarding “Verification of the Cost Response of Interpipe Limited in the Antidumping Duty Investigation of Oil Country Tubular Goods from Ukraine,” dated May 8, 2014; *see also* Memorandum to the File regarding “Verification of the Sales Responses of Interpipe in the Antidumping Duty Investigation of Oil Country Tubular Goods from Ukraine,” dated May 19, 2014; Memorandum to the File regarding “Verification of the U.S. Sales Responses of Interpipe in the Antidumping Duty Investigation of Oil Country Tubular Goods from Ukraine,” dated May 19, 2014.

⁷ *See Preliminary Determination*, 79 FR at 10483 and accompanying Preliminary Determination Memorandum at 16-18.

⁸ *See* Issues and Decision Memorandum at “Critical Circumstances.”

Final Determination Margins

The weighted-average dumping margins are as follows:

Exporter or Producer	Weighted-Average Dumping Margin
Interpipe Europe S.A.; Interpipe Ukraine LLC; PJSC Interpipe Nizhnedneprovsky Tube Rolling Plant (aka Interpipe NTRP); LLC Interpipe Niko Tube	6.73%
All Others	6.73%

Section 735(c)(5)(A) of the Act provides that the estimated “all others” rate shall be an amount equal to the weighted average of the weighted-average dumping margins calculated for the producers or exporters individually examined, excluding rates that are zero, *de minimis* or determined entirely under section 776 of the Act. The “All Others” rate is based on the weighted-average dumping margin calculated for Interpipe, the sole mandatory respondent in the investigation.

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Termination of Suspension of Liquidation

As noted above, on July 10, 2014, the Department signed a suspension agreement with Interpipe (the Agreement). Therefore, in accordance with section 773(f)(2)(A) of the Act, we will instruct U.S. Customs and Border Protection to terminate the suspension of liquidation of all entries of OCTG from Ukraine. Any cash deposits of entries of OCTG from Ukraine shall be refunded. Pursuant to the requests for continuation discussed above, we have continued and completed the investigation in accordance with section 734(g) of the Act. We found the antidumping duty margins noted above in the “Final Determination Margins” section.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of our final determination. Because our final determination is affirmative, the ITC will, within 45 days, determine whether these imports are materially injuring, or threatening material injury to, the U.S. industry. If the ITC determines that material injury, or threat of material injury does not exist, the Agreement will have no force or effect, and the investigation shall be terminated.⁹ If the ITC determines that such injury does exist, the Agreement shall remain in force but the Department shall not issue an antidumping order so long as (1) the Agreement remains in force, (2) the Agreement continues to meet the requirements of subsections (d) and (l) of the Act, and (3) the parties to the Agreement carry out their obligations under the Agreement in accordance with its terms.¹⁰

Return or Destruction of Proprietary Information

This notice will serve as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction or APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

⁹ See section 734(f)(3)(A) of the Act.

¹⁰ See section 734(f)(3)(B) of the Act.

We are issuing and publishing this determination and notice in accordance with sections 735(d) and 777(i) of the Act.

Dated: July 10, 2014.

Ronald K. Lorentzen,
Acting Assistant Secretary,
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by the investigation is certain oil country tubular goods (OCTG), which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the investigation also covers OCTG coupling stock.

Excluded from the scope of the investigation are: casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to the investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The merchandise subject to the investigation may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68,

7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, 7304.59.80.80, 7305.31.40.00, 7305.31.60.90, 7306.30.50.55, 7306.30.50.90, 7306.50.50.50, and 7306.50.50.70.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

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- III. Critical Circumstances
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- V. Margin Calculations
- VI. Discussion of the Issues
 - 1. Re-Export Sales
 - 2. Reject Merchandise
 - 3. Interpipe's U.S. and Home Market Packing Costs
 - 4. Differences between Theoretical and Actual Weights
 - 5. Payment Information Provided at Verification as Minor Correction
 - 6. Major Input Adjustment
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 - 9. Cost Verification Findings
- VII. Recommendation

[FR Doc. 2014-16875 Filed 07/17/2014 at 8:45 am; Publication Date: 07/18/2014]